

INTERNATIONAL UNION OF OPERATING ENGINEERS

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Testimony of Nate Brown

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For the Labor and Public Employees Committee

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Good afternoon, Senator Prague, Representative Zalaski and honorable members of the Labor and Public Employees Committee. My name is Nate Brown and I am the Referral Manager and COPE Director for the International Union of Operating Engineers Local 478, a labor organization that represents over 3,000 members and their families in Connecticut.

I am here today to testify in <u>opposition</u> tof SB bill 990:**AN ACT CONCERNING THE PREVAILING**RATE OF WAGES.

Prevailing Wage is a complex issue. The Connecticut statute, CGS 31-53, was originally passed in 1937 to promote several public purposes:

- To prevent public construction projects from destabilizing local construction markets by protecting local contractors and the resident labor force from imported contractors and/or labor, thus preserving the local wage structure.
- 2) To assure that a skilled labor force of local residents will exist to provide quality craftsmanship for local projects.
- 3) To provide employment stability in the notoriously cyclical construction industry.

One of the components of the Prevailing Wage law is the provision of monies to provide for benefits such as training and apprenticeship programs, health insurance, pensions and annuities to provide for security during retirement. The defined pension plan provides the ability to retire with dignity after a lifetime of work — which is the aim of most workers. Given the high cost of living in Connecticut, Social Security, which was put in place to augment savings and pension programs, is unable to pay enough to allow Connecticut residents to retire and continue living in the state. When people work on Prevailing Wage jobs, the employer contributes to a retirement plan.

Increasing the current thresholds which trigger the applicability of prevailing wage laws will make it even more difficult for an individual to have the ability to provide for themselves and their family.

In times of economic stress, it is easy to look at eliminating programs and laws that are thought to raise costs. There is a real cost in doing so, and that cost is borne by real people and society in general. Changing prevailing wage laws would result in cutthroat competitiveness in contracting, increased workforce turnover, a decline in the skill base of the construction labor market, and the entry into the local market of large out of state contractors bringing in their own low paid workforce.

I speak today as a Connecticut Union representative. What that means to me is that I, like you, represent real people who are working for a better life for themselves and their families in the State of Connecticut. I was not raised to believe that the United States stood only for the ability to purchase goods and services at the lowest possible price, regardless of the cost to people and society. I was raised to believe that the United States stands for the opportunity to better yourself and your family. That the government should work for the greater good, not the bottom line. This is not the first time that the prevailing wage debate has come before your committee and the legislature, and I am sure that this will not be the last time either. Prevailing wage accomplishes what it was meant to, and always has. What has been proposed by the anti-union, anti-prevailing wage folks have very real costs for the government, the construction industry, and most of all, for the Connecticut residents who build these projects.

Thank you for your consideration and please vote against any changes to the prevailing wage stautes – here in the Labor Committee and on the floor of the House and Senate – should amendments be proposed that would seek to make such changes.